Data Sheet

USAID Mission: Guyana

Program Title:Environment for Sustained Growth of Exports

Pillar:

Economic Growth, Agriculture and Trade

Strategic Objective: 504-007

Status: Continuing

Planned FY 2006 Obligation: \$1,980,000 DA
Prior Year Unobligated: \$0

Proposed FY 2007 Obligation: \$2,000,000 DA

Year of Initial Obligation: 2004 Estimated Year of Final Obligation: 2008

Summary: USAID's strategy is to strengthen the enabling environment for the sustained growth of value-added exports from Guyana. USAID and its partners work to strengthen the trade negotiation and trade policy framework to enable the country to participate effectively in, and reap greater benefits from, international trade. USAID also provides technical and other forms of support to targeted sectors in the areas of tourism, furniture manufacturing, seafood and agro-processing to enhance competitiveness, allowing firms to link with high value niche markets.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$300,000 DA). USAID is providing technical assistance and training to the Ministry of Foreign Trade and International Cooperation, the Guyana Revenue Authority (GRA) and other trade institutions to implement outstanding policy, legislative, regulatory and administrative reforms. This will enhance compliance with international trade obligations, particularly within the context of the World Trade Organization (WTO) and the Caribbean Community (CARICOM) Single Market and Economy (CSME). It will also improve institutional capacity of public trade institutions to affect their mandates, and strengthen the enabling business environment for exports. Principal contractor: Carana Corporation.

Improve Private Sector Competitiveness (\$ 880,000 DA). USAID is focusing on strengthening the private sector's capacity to participate in trade negotiations and to take the lead in formulating policies and decisions shaping the business environment. USAID is providing technical assistance for strategic planning and administrative capacity strengthening to the umbrella Private Sector Commission. USAID is also offering specialized business cluster development assistance to four working groups in tourism, forest products, agro-processing, and fisheries sectors. USAID is working with the cluster groups to develop better inter-firm collaboration, strengthen supply chains, honor contractual arrangements, and improve standards of compliance and consistency in product quality. USAID is also providing technical assistance to develop private sector-driven Trade Capacity Building (TCB) modules. Principal contractor: Carana Corporation.

Increase Trade and Investment (\$650,000 DA). In recognition of the critical need for investment to move Guyana's economy from its current flat growth path, USAID is supporting several initiatives that stimulate trade and enhance the attractiveness of the country as a destination for foreign direct investment (FDI). USAID is providing training in topics ranging from company presentations and trade show etiquette to assisting participating firms to maximize use of these shows. USAID, in collaboration with regional export groups and business associations, is organizing sales trips for firms in order to create market linkages and identify trade and investment opportunities. Additionally, USAID is conducting a Strategic Investment Opportunity Assessment that focuses on tourism, agro-processing, and wood products. A proactive investment attraction program is being launched in conjunction with the Guyanese trade and investment promotion agency, GO-Invest. USAID is training GO-Invest staff in various modules of the World Bank's Multilateral Investment Guarantee Agency Investment Promotion Toolkit. Principal contractor: Carana Corporation.

Strengthen The Financial Services Sector and Increase Access to Capital: (\$150,000 DA). USAID is collaborating with a private development/commercial bank to leverage approximately \$2 million in a total guarantee facility. Support allows for new banking services, tailored specifically for small and medium size enterprises in the agribusiness, light industry and tourism sectors which have faced difficulties accessing credit.

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$500,000 DA). USAID plans to organize workshops and provide technical assistance to allow Guyana to more fully refine and modernize trade-related policies and legislation. Specifically, assistance will be provided to allow Guyana to fulfill obligations arising from the December 2006 WTO Ministerial and subsequent WTO negotiations. USAID will provide assistance to advance the CSME implementation agenda. Principal contractor: Carana Corporation.

Improve Private Sector Competitiveness (\$1,000,000 DA). USAID will provide technical assistance and training to ensure that private sector firms are fully compliant with international standards and certification requirements in order to enhance their competitiveness in international markets. USAID plans to further consolidate its cluster sector work in areas such as agro processing and packaging facilities, and in exploiting new niches such as bird watching in the tourism sector. USAID will also provide technical support to the private sector to participate in the activities of the proposed Competitiveness Council and in the implementation of the National Competitiveness Strategy. Principal contractor: Carana Corporation

Increase Trade and Investment (\$500,000 DA). USAID plans to continue to support initiatives that target non-traditional exports. In collaboration with GO-Invest and the New Guyana Marketing Corporation, USAID will establish international linkages to promote the development of nontraditional agro-products for sustainable export through contracting arrangements. USAID will also provide assistance to develop an awareness campaign based on existing bilateral agreements with Costa Rica, the Dominican Republic, and Colombia as a means of fostering greater implementation of these agreements by Guyanese businesses. Principal contractor: Carana Corporation

Performance and Results: USAID has strengthened the institutional capacity of the Guyana Food and Drug Department in their ability to test and certify that Guyanese agricultural products are aflatoxin free; thereby setting the stage for increased exports. Guyana was recertified to export shrimp to the United States, following the installation of turtle excluder devices on shrimp boats; USAID assistance included technical training for shrimp boat operators and government inspectors. Five firms are expected to increase peanut exports to the Caribbean, after USAID-supported training in processing and marketing provided at the University of Georgia. By the end of the program expected results include: key public and private sector officials will be trained in trade negotiation, including business and investment issues and the execution of such negotiations and decisions; strong international supply chain linkages will be established, resulting in regular exports of high value niche products; testing and certification laboratories will be self-sustaining and able to produce internationally-acceptable certification to exporters; nontraditional exports as a percentage of total exports will increase from 25.6% in 2004 to 30.1% in FY 2009; cluster groups in agro-processing, forest products, fisheries and tourism will exhibit significantly higher levels of efficiency and performance as a result of the implementation of cluster-level strategic action plans; and Guyanese officials and businesses will support the CSME and will have an increased awareness of its functions, processes, and potential benefits.

US Financing in Thousands of Dollars

Guyana

504-007 Environment for Sustained Growth of Exports	DA
Through September 30, 2004	
Obligations	998
Expenditures	1
Unliquidated	997
Fiscal Year 2005	
Obligations	1,484
Expenditures	921
Through September 30, 2005	
Obligations	2,482
Expenditures	922
Unliquidated	1,560
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2006 NOA	
Obligations	1,980
Total Planned Fiscal Year 2006	
Obligations	1,980
Proposed Fiscal Year 2007 NOA	
Obligations	2,000
Future Obligations	6,015
Est. Total Cost	12,477